

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5290-02
Bill No.: Perfected HCS for HB Nos. 1298 & 1180
Subject: Civil Procedure; Liability; Courts
Type: Original
Date: February 29, 2012

Bill Summary: This proposal changes the determination of a defendant's liability in a tort action for damages by specifying that the liability of each defendant for compensatory or punitive damages must be several and cannot be joint. It also establishes the Agritourism Promotion Act which allows for the registration of any person who is engaged in a business which provides agritourism activities in this state.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Agritourism Fee Fund*	\$0	\$0	\$0
	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

* Revenues and Expenditures net to zero

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

RS:LR:OD

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

Officials from the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

House Amendment 1:

Officials from the **Department of Agriculture (AGR)** assume an unknown fiscal impact. The number of participants, amount of administration required, database management, and fees collected cannot be determined with any certainty. The registration fee may cover the costs of signage placement, maintenance, and any AGR promotion and publication costs.

Officials from the **Department of Natural Resources (DNR)** state the proposal would define agritourism activity as any activity which allows members of the general public for recreational, entertainment, or educational purposes to view or enjoy rural activities, including but not limited to farming activities, ranching activities, or historic, cultural, or natural attractions.

This proposal would allow any person engaged in the business of providing one or more agritourism activities to register for a two-year period with the Department of Agriculture including a \$100 registration fee. Registration would contain information describing the tourism activity, and the location of such activity.

The proposed legislation would require every registered agritourism location to post and maintain signage which contains a warning notice regarding liability.

Should the department's Division of State Parks (DSP) elect to register each site, a registration fee of \$100 would be required every two years for each participant site. Additionally, at each site where the agritourism activity takes place, signage would be required as defined in this proposal. DSP estimates ten historic sites may elect to participate.

Should the department's Division of State Parks (DSP) choose to participate, a registration fee of \$100 would be required every two years for each participant site. Additionally, at each site where the agritourism activity takes place, signage would be required as defined in this proposal at a cost of \$50.00 per sign.

ASSUMPTION (continued)

DSP assumed for purposes of this fiscal note that 10 historic sites may elect to participate at a cost of \$100 registration fee per site for a two year period and a one-time cost of the signage estimated at \$50 per sign.

Estimated costs:
FY 2012 - \$1,500
FY 2013 - \$0
FY 2014 - \$1,000

DSP assumes that should historic sites elect to register as a registered agritourism operator, the costs associated with this proposal for registration and signage would be minimal.

Officials from the **Office of the State Treasurer** assume the proposal would not fiscally impact their agency.

Oversight assumes this proposal will have an unknown cost to the “Agritourism Fee Fund” for administration, signs, maintenance, promotion and publication of the Agritourism Promotion Act dependent upon the number agritourism businesses that choose to register with AGR.

Oversight assumes AGR can assess a registration fee up to \$100 to cover all costs related to administration, signs, maintenance, promotion, and publication.

Oversight assumes that revenues received by the proposed “Agritourism Fee Fund” will equal costs associated with the Agritourism Promotion Act resulting in a net fiscal impact of zero to the “Agritourism Fee Fund”.

Oversight assumes any costs to DSP to register state historic sites as an agritourism activity location is dependent upon whether they choose to register as an agritourism site.

Oversight assumes any potential costs to DSP are minimal and could be absorbed by DSP. If the number of sites registered for agritourism increases, DSP can request additional appropriation in the future.

Oversight assumes all fees paid to AGR will cover the cost of signs, therefore DSP will not be responsible for the cost of signs.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
AGRITOURISM FEE FUND			
<u>Income</u> - Agritourism Registration Fees	Unknown	Unknown	Unknown
<u>Cost</u> - Dept. of Agriculture			
Administration	(Unknown)	(Unknown)	(Unknown)
Signs	(Unknown)	(Unknown)	(Unknown)
Maintenance/Promotion	(Unknown)	(Unknown)	(Unknown)
<u>Total Cost</u> - AGR	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON AGRITOURISM FEE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Direct fiscal impact to small agritourism related businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

House Amendment 1 establishes the Agritourism Promotion Act which allows for the registration of any person who is engaged in a business which provides agritourism activities in Missouri. In its main provisions, the bill:

(1) Defines “agritourism activity” as any activity which allows the general public for recreational, entertainment, or educational purposes to view or enjoy rural activities including, but not limited to, farming and ranching activities or historic, cultural, or natural attractions;

RS:LR:OD

FISCAL DESCRIPTION (continued)

- (2) Defines “inherent risks of a registered agritourism activity” as dangers or conditions which are an integral part of an agritourism activity including the potential of a participant to act in a negligent manner that may contribute to injury to the participant or others;
- (3) Allows any person who is engaged in a business providing an agritourism activity to register with the Director of the Department of Agriculture. The registration must contain a description of the agritourism activity he or she conducts or intends to conduct and the location where the activity will be conducted;
- (4) Specifies that the registration is for a period of two years and a fee of up to \$100 may be imposed on an applicant to cover the actual administrative costs associated with registration and the placement and maintenance of directional signage;
- (5) Requires the department to maintain and make available to the public a list of all registered agritourism operators, the registered agritourism activities conducted by each operator, and the registered agritourism location;
- (6) Requires the department to promote and publicize registered agritourism operators, activities, and locations by promoting and encouraging tourism;
- (7) Requires every registered agritourism operator to post and maintain signage at the agritourism location which contains a specified warning notice that there is no liability for certain injuries or the death of a participant in a registered agritourism activity;
- (8) Specifies that any participant is assuming certain inherent risks when participating in an agritourism activity;
- (9) Specifies that a registered agritourism operator is not liable for an injury to or the death of a participant resulting from the inherent risks of agritourism activities if the warning is posted as required unless the injury to the participant was by willful or wanton conduct or the operator failed to make a dangerous condition known to a participant and the condition resulted in an injury;
- (10) Specifies that the operator has an affirmative defense to liability if the injured person deliberately disregarded conspicuously posted signs, verbal instructions, or other warnings regarding safety measures during the activity or if any equipment, animals, or appliances used by the injured person during the activity were used in a manner or for a purpose other than that for which a reasonable person should have known they were intended; and

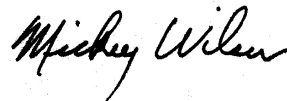
FISCAL DESCRIPTION (continued)

(11) Creates the Agritourism Fee Fund consisting of registration fees and moneys appropriated to the fund to be used solely for the placement and maintenance of directional signage and the administration of the provisions of the bill.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Courts Administrator
Attorney General's Office
Department of Agriculture
Department of Natural Resources
Office of the State Treasurer



Mickey Wilson, CPA
Director
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